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Held at Headquarters, New York, on Tuesday, 1 December 1998, at 10 a.m.

Chairman: Mr. Abelian ..... (Armenia)
later: Mr. Armitage (Vice-Chairman) ..... (Australia)
later: Mr. Abelian (Chairman) ..... (Armenia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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Organization of work

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98-83680 (E)

The meeting was called to order at 10 a.m.

Agenda item 113: Programme budget for the biennium 1998–1999 (*continued*)

Programme budget implications of draft resolution A/C.3/53/L.23 concerning agenda item 110 (a) (A/C.5/53/37)

1. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the statement submitted by the Secretary-General (A/C.5/53/37) indicated that the adoption of draft resolution A/C.3/53/L.23 by the General Assembly would give rise to expenditure in the amount of $332,900 under section 1B, General Assembly affairs and conference services, of the programme budget and $19,000 under section 22, Human rights. The latter amount represented subsistence allowances for 10 members of the Committee against Torture. The conference-servicing costs would be covered from resources already approved under the programme budget, and the additional $19,000 would be dealt with in accordance with the procedure for the use and operation of the contingency fund.

2. **Mr. Moktefi** (Algeria) said that his delegation would have no problem approving the programme budget implications referred to in the Secretary-General's statement (A/C.5/53/37). However, he wondered why paragraph 4 of the statement indicated that conference services would be provided in only four of the Organization's official languages.

3. **Mr. Sach** (Director, Programme Planning and Budget Division) said that the four languages in question were the official languages of the Committee against Torture.

4. **The Chairman** recalled the provisions of General Assembly decision 34/401, paragraph 13 B, and said he took it that the Committee wished to inform the General Assembly that, should it adopt draft resolution A/C.3/53/L.23, an additional provision of $19,000 would be required over and above the resources approved under section 22, Human rights, of the programme budget for the biennium 1998–1999. The additional requirements for the year 2000 would be dealt with in the context of the preparation of the proposed programme budget for the biennium 2000–2001.

5. *It was so decided.*

Programme budget implications of draft resolution A/C.3/53/L.18/Rev.1 concerning agenda item 108 (A/C.5/53/36)

6. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the statement submitted by the Secretary-General (A/C.5/53/36) indicated that the adoption of draft resolution A/C.3/53/L.18/Rev.1 by the General Assembly would give rise to expenditure in the amount of $33,200 under section 22, Human rights, of the programme budget and $197,000 under section 1B, General Assembly affairs and conference services. The additional requirements of $33,200 under section 22, which represented subsistence allowances for 18 members of the Committee on the Elimination of Racial Discrimination, would be governed by the procedure for the use and operation of the contingency fund. The additional requirements for the biennium 2000–2001 would be reflected in the programme budget for that biennium.

7. **The Chairman** said he took it that the Committee wished to inform the General Assembly that, should it adopt draft resolution A/C.3/53/L.18/Rev.1, an additional provision of $33,200 would be required over and above the resources approved under section 22, Human rights, of the programme budget for the biennium 1998–1999. The additional requirements for the year 2000 would be dealt with in the context of the preparation of the proposed programme budget for the biennium 2000–2001.

8. *It was so decided.*

Agenda item 112: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Administrative arrangements for the International Trade Centre UNCTAD/WTO (A/53/7/Add.3; A/C.5/52/25 and A/C.5/52/45; A/C.5/53/38)

9. **Mr. Benjelloun-Touimi** (Chairman of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO) said that the new administrative arrangements proposed by the Advisory Committee (A/53/7/Add.3, para. 11) had been thoroughly discussed and agreed upon in a series of consultations that had involved all stakeholders in the International Trade Centre (ITC), including the Joint Advisory Group, the Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD), and the States members of the World Trade Organization (WTO) and of UNCTAD. Technical details on the issue had already been provided to the Fifth Committee earlier in the current session.

10. Although the proposal before the Committee was technical in nature, its real objective was to enhance coherence among the Geneva-based institutions dealing with trade and development; namely, UNCTAD, WTO and ITC. Improved coordination was most crucial for ITC, which, as an offshoot of the other two institutions, was required to comply with the rules and regulations of both. Thus, the improvement of working procedures would impact synergies between WTO and UNCTAD by enhancing their cooperation through ITC. The alternative was to continue to require ITC to duplicate its efforts and waste resources by preparing and submitting one proposed budget according to United Nations rules and another according to WTO rules, even though the two budgets were the same and the membership of the two organizations would eventually be the same, since WTO was on its way to becoming a universal institution. In general, the proposed new arrangements would help to address the problems caused by a lack of coherence at various levels, which had given rise, *inter alia*, to "turf battles" between Geneva and New York.

11. The solution to those problems was based on the common-sense approach of enabling ITC, which was purely a technical cooperation agency, to concentrate on providing such cooperation instead of on complying with excessive bureaucratic requirements. The proposed arrangements would increase not only the Centre's effectiveness, but also its accountability and responsiveness to its direct constituency, namely, the permanent missions in Geneva. Lastly, the Fifth Committee could rest assured that the arrangements proposed by the Advisory Committee respected the integrity of United Nations budgetary and administrative rules.

12. **Mr. Moktefi** (Algeria) pointed out that the letters from the President of the Trade and Development Board and the Chairman of the Joint Advisory Group, which appeared in the annexes to document A/C.5/53/38, indicated only that the Board and the Group had endorsed the proposals contained in paragraph 11 (c) of the Advisory Committee's report (A/53/7/Add.3). He wondered whether the proposals contained in the other subparagraphs of paragraph 11 had also been endorsed. He also asked whether the new administrative arrangements would have any impact on the programme of work of ITC.

13. **Mr. Benjelloun-Touimi** (Chairman of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO) said that all the arrangements proposed by the Advisory Committee had been discussed and endorsed and that the specific references in the letters to subparagraph (c) were erroneous. He would be pleased to have new letters prepared and forwarded promptly to the Committee. To his knowledge, the new arrangements would have no impact on the programme of work of ITC.

14. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) suggested that the correction made orally by the Chairman of the Joint Advisory Group should be regarded as an official statement before the Committee and that the latter should not wait for the letters to be resubmitted before taking action. He confirmed that the proposed new arrangements would involve no change in the roles currently played by the United Nations (including UNCTAD, the Committee for Programme and Coordination and the Advisory Committee), ITC and WTO in programme formulation review and approval. If the proposals had affected those roles, the Advisory Committee would have made that fact clear to the Fifth Committee. The United Nations would continue to perform its control functions, and its Financial Regulations would continue to apply to ITC.

15. **The Chairman** suggested that the Committee should recommend that the General Assembly should take note of the note by the Secretary-General contained in document A/C.5/53/38 and endorse the administrative arrangements for the International Trade Centre UNCTAD/WTO, as contained in paragraph 11 of the report of the Advisory Committee in document A/53/7/Add.3.

16. *It was so decided.*

Procurement reform (*continued*) (A/52/887 and A/52/1010; A/53/271 and Corr. 1 and Add.1, and A/53/692; A/C.5/52/46)

17. **Ms. Cardoze** (Panama), speaking on behalf of the Rio Group, said that the members of the Group called for the strictest compliance with the procurement rules and considered that every possible measure should be taken to increase procurement from the developing countries on the broadest possible geographical basis. It was worrying that only 10 countries out of a membership of 185 accounted for 93 per cent of United Nations procurement; the Rio Group accounted for zero per cent.

18. No reform of the Organization could be complete and fair unless it included procurement reform. As developing countries, the members of the Rio Group did not seek conditions which benefited certain Member States by means of subsidies or concealed protection, but rather conditions which provided transparency in the bidding and procurement process, support for non-headquarters States, and fair access based on the quality of goods and services.

19. The Group fully endorsed the comments on procurement made in the report of the Board of Auditors (A/53/5, vol. I, chap. II, paras. 90–104) and in the related report of ACABQ (A/53/513, paras. 22–31). In particular, the problems connected with the time allowed for bidding, mentioned in paragraph 91 of the Board's report, must be solved. It was particularly worrying that in 17 cases, although the value of the contract exceeded $200,000, the time allowed had been less than four weeks, and that in one case only 21 days had been allowed for a major contract for electrical equipment totalling $14.46 million and only two bidders had responded out of the 32 to whom bids had been sent. The Procurement Manual must include clearer guidelines on bidding and should specify the frequency at which the evaluation of potential suppliers should be reviewed. The Group welcomed the issue of the revised Procurement Manual but pointed out that it did not include model forms for registration on the supplier roster or model forms for bidding.

20. Since some of its members were troop contributors, the Rio Group was profoundly concerned about the fraudulent conduct of certain suppliers referred to in two of the Secretary-General's reports on the activities of the Office of Internal Oversight Services (OIOS) (A/52/426, paras. 60–63, and A/53/428, paras. 66–70). It was particularly worrying that the International Civil Aviation Organization itself had discovered suppliers which had failed to adhere to basic international aviation standards. That was an area in which cost savings must not be made at the expense of a reduction in the safety of United Nations troops.

21. Many other irregularities had been described by OIOS in two of its reports (A/51/432 and A/53/428), and the Advisory Committee had characterized some of the irregularities found in the Procurement Division as "very serious" (A/53/513, para. 25).

22. The Rio Group did not wish to take up the findings of OIOS under the present agenda item but rather to stress that the Organization could combat the procurement irregularities — and, in some cases, crimes — only by greater transparency and publication of information. That indeed was the only way to achieve greater equity in procurement and to improve the Organization's public image. Publicity was essential to the reform, for it offered the sole guarantee of good management.

23. The Rio Group would like to have a detailed list of the goods purchased by the Organization indicating their origin, volume, customs nomenclature and value, together with a list of suppliers and examples of bidding exercises, particularly for foodstuffs. It would also welcome more information about the Secretariat's consolidated procurement system: the reasons for using the system; the prices paid to contractors for the purchase of the baskets of goods; and the destination in each area of the basket of goods and whether the baskets were divided up on arrival. It was also important for the Secretariat to comply with subparagraphs 13 (a) and (b) of resolution 52/226 A, which stipulated that all invitations to bid should be posted on the Procurement Division Web site homepage and also sent to the permanent missions. Six months after the adoption of that resolution, no information had been made available on the implementation of those provisions. The Group would also like to have a list of the staff of the Procurement Division indicating their nationality and function.

24. *Mr. Armitage (Australia), Vice-Chairman, took the Chair.*

25. **Ms. Butschek** (Austria), speaking on behalf of the European Union, said that she wished to address only a few broad concerns at the present stage, reserving detailed comments until later. The Secretary-General's assurance that the measures implemented so far had improved the procurement system was welcome, as was the integration of the procurement function of the Department of Development Support and Management Services into the Procurement Division. The publication of procurement plans for peacekeeping beginning with the next biennium was also welcomed, not least because those plans might help to eliminate the problem of short lead times. In that context, increased cooperation between the Procurement Division and the Field Administration and Logistics Division was of the utmost importance.

26. Despite the improvements, current standards were still not those expected of a professional procurement office. It was perhaps inevitable, given the lack of objective information, that the feedback was subjective, but the European Union was not convinced by paragraph 6 of the Secretary-General's report (A/53/271) with regard to measuring the efficiency of procurement. A single year did not offer a representative measure of performance; statistics for similar previous years together with estimates for 1998 must be provided.

27. The Procurement Division seemed to attach low priority to its cumbersome registration process, which made it difficult for new companies, including companies from developing countries and countries with economies in transition, to compete for United Nations business. The methodology for collecting statistics needed further development in order to provide a clearer picture of the true national provenance of companies benefiting from

procurement contracts. Moreover, the value of public bid-openings for requests for proposals was being undermined because the Procurement Division no longer disclosed the prices and types of service or goods offered. Such disclosure enhanced the learning process of unsuccessful bidders, increasing competition to the benefit of the United Nations.

28. The European Union attached importance to its proposal that among equally well-qualified suppliers preference should be given to those from countries which were not in arrears on their assessed contributions. It doubted the validity of the comparison with the European Union given in paragraph 19 of the Secretary-General's report (A/53/271/Corr.1). The time had come to implement the proposal.

29. The European Union welcomed the Secretary-General's intention to issue a comprehensive revision of all the regulations and rules referred to in paragraph 5 of his report; information about the date of issue would likewise be welcomed. It noted the reasons why an ombudsman had not yet been appointed to deal with complaints, and emphasized again that the function must be performed by someone who could act truly independently. With regard to the classification of the post of chief of the Procurement Division, the reforms needed to be managed by a suitably qualified senior staff member recruited specifically for the task and able to deliver what should be expected from a professional procurement office.

30. The European Union reiterated its concern about the many procurement irregularities identified by the Board of Auditors, on which it had already commented under agenda item 111. It welcomed the Secretary-General's intention to take further action to improve the procurement system and looked forward to hearing more details at a later stage.

31. **Mr. Nee** (United States of America) said that his delegation was pleased by the steady progress being made in improving procurement procedures, including the publication of the revised Procurement Manual, the continued growth of the supplier roster, and the increased use of the Procurement Division Internet Web site. Free and fair competition was the bedrock of a transparent procurement system in which goods and services were obtained on the most cost-effective terms. Continued expansion of competitive bidding was therefore essential, and any attempt to award contracts on any basis other than a strictly competitive one would drive up costs and work against the gains achieved so far by the procurement reform effort. The common approaches being taken in the United Nations system to optimize procurement resources, such as the development of common procurement regulations and the Common Supplier Database, would improve the effectiveness and efficiency of procurement activities. Such cooperation should be intensified.

32. **Mr. Sulaiman** (Syrian Arab Republic) acknowledged the achievements of the Secretariat in widening the geographical basis of suppliers in accordance with General Assembly resolution 52/226, but noted that, although the number of provisionally and fully registered vendors had increased between 1997 and 1998, as stated in paragraph 14 of the Secretary-General's report (A/53/271), the proportion of developing countries that were awarded procurement contracts was still low. That was a matter that required further attention. His delegation noted that the efforts of the Secretariat to identify potential vendors in the developing countries and to increase the representation from those countries in the bidding for, and award of, contracts was largely restricted to posting an announcement on the World Wide Web and specifying a time limit. If the Secretariat were to make a practice of notifying the permanent missions in writing of the procurement requirements of the United Nations, that would enable them to bring the matter to the attention of potential suppliers in their countries. Communications on that matter tended to be sent by the Procurement Division to the permanent missions only when the subject was being discussed by the Fifth Committee, whereas the Division should be in permanent contact with the missions, particularly those from the developing countries that were either unrepresented or under-represented on the supplier roster.

33. Concerning the visits made by the Inter-Agency Procurement Services Office to certain countries, his delegation wished to know which countries had been visited and whether they included the developing countries which, under the terms of resolution 52/226, were particularly in need of procurement contracts. He also asked whether the Middle East region had been visited, and, if so, who had participated in the visit. He noted the statement made by the Assistant Secretary-General for Central Support Services to the effect that the United Nations took part in seminars held in certain countries when it was invited to do so and asked about the mechanism for arranging such visits and how they were organized so as to make the participation of the United Nations possible.

34. His delegation supported the statement in paragraph 8 of the report of ACABQ (A/53/692) to the effect that, in his next report on procurement, the Secretary-General should indicate on what basis the country of procurement was determined and how that methodology compared with recognized international practice. His delegation also shared the view of the Advisory Committee that there was a need

to distinguish between purchase orders made in developing countries to acquire goods and/or services from elsewhere and procurement of goods and/or services from developing countries.

35. In conclusion, he said that the Procurement Manual and other United Nations documents concerning procurement should be translated into the six official languages of the Organization. That would considerably assist in the efforts to increase the share of the developing countries in the award of procurement contracts, in accordance with resolution 52/226.

Agenda item 119: Human resources management (*continued*) (A/53/266, A/53/327, A/53/342, A/53/375 and Corr.1, A/53/385, A/53/414, A/53/501, A/53/502 and Add.1, A/53/526 and Add.1, A/53/548, A/53/642 and A/53/691)

36. **Mr. Yamagiwa** (Japan), referring to the note by the Secretary-General on internal vacancies in the Secretariat (A/53/327) and the related report of ACABQ (A/53/691), which commented on judgement No. 852, Balogun (1997) of the United Nations Administrative Tribunal, noted that the Administrative Tribunal had ruled that, since there was no legal definition of the term "internal" and in the light of Articles 8 and 101 of the Charter, the appointment and promotion bodies ought to have permitted all the candidates in the service of the United Nations to apply for the post in question regardless of the series of the Staff Rules under which they had been appointed. The judgement contradicted the decision of the General Assembly contained in section V, paragraph 2, of resolution 52/219, in which it excluded 200 series project personnel from eligibility for internal vacancies. The judgement thus undermined the system of desirable ranges and obstructed the Secretary-General's intention to make significant progress in the geographical representation of Member States in the Secretariat. The implications of the judgement might be even more serious since the Tribunal's reasoning would apply equally to 300 series personnel holding contracts of limited duration.

37. His delegation could not endorse the judgement and supported the recommendation of the Advisory Committee contained in paragraph 8 of its report. It also agreed with the Chairman of the Advisory Committee that the General Assembly should take action on an urgent basis, so that clear guidance would be provided for the Secretariat to enable it to comply with the relevant General Assembly resolutions.

38. According to paragraph 24 of the first performance report for the current biennium (A/53/693), the vacancy rate for the Professional category and above for 1998 was expected to be slightly over 10 per cent. That matter should be considered in the context of item 119 because it was an issue relating to the Secretariat's human resources management policy and practice.

39. **Mr. Liu Yanguo** (China) said that his delegation endorsed the views of the Advisory Committee on human resources management reform. The creation of a new management culture in the Organization was a gradual process requiring proper preparation. He trusted that the Office of Human Resources Management would approach the exercise with due care. Delegation of authority, in particular, would require well-thought-out measures. His delegation would like to be kept better informed of developments, bearing in mind the need for General Assembly authorization.

40. His delegation agreed with the Advisory Committee regarding internal vacancies; in that connection, the resolutions of the General Assembly must be respected. He also endorsed the Advisory Committee's views on the use of consultants and retirees, and asked for more information to be provided.

41. **Mr. Fedorov** (Russian Federation) said that the comments of the Advisory Committee on human resources management reform in paragraphs 19 and 20 of its report (A/53/691) coincided with the comments made by his delegation in its earlier statement on the item: what was needed was an implementation plan indicating the specific measures by means of which the Secretary-General intended to carry out the reform. The Advisory Committee should be more closely involved in the consideration of problems of human resources management, which was a key element in the reform of the Organization's management. The Advisory Committee's views were extremely important to the Fifth Committee in that regard.

42. His delegation would have wished for a deeper analysis of the problem of internal vacancies in the Secretariat. It was common knowledge that the internal vacancies system was not a universally accepted recruitment practice but a by-product of the vacancy management and staff redeployment system, introduced as an exceptional measure in 1986 during the financial crisis. The proposal was now to institutionalize that ad hoc measure as the rule for staff recruitment. That proposal clashed with the Charter criteria for staff recruitment and the relevant resolutions of the General Assembly and worked against the interests of the Organization as a whole, constituting an obstacle to the recruitment of new talent.

43. The issue could not be resolved in one fell swoop; it was important to consider all its aspects with a view to

enhancing the effectiveness of the Organization and ensuring equal opportunities both for qualified and conscientious members of the Secretariat and for competent specialists from outside.

44. **Ms. Butschek** (Austria), speaking on behalf of the European Union, said, with reference to internal vacancies, that the Secretary-General must be able to recruit the best candidates. It was important to retain national competitive examinations, to ensure career development, and to observe geographical and gender distribution.

45. **Mr. Park Hae-yun** (Republic of Korea) said that his delegation had noted with keen interest the recent judgement of the United Nations Administrative Tribunal on internal candidates and internal vacancies. He understood the Tribunal's reasoning that the appointment and promotion bodies should be given the greatest latitude to choose from among staff members in order to secure the highest standards required by the Charter. Nevertheless, it was important to take account of the potential impact on the current placement and promotion process; the judgement would make it extremely difficult for the Secretariat to comply with various General Assembly resolutions on the competitive examination system, the system of desirable ranges and eligibility for internal vacancies. He shared the concern that the judgement would require a radical change in current practices and would have a serious impact on career progression opportunities.

46. His delegation therefore expressed its support for the current system, which was aimed at encouraging career development. Since the Tribunal had cited staff regulation 4.4, that regulation should be amended to allow the maintenance of current human resources management policies. Given the importance of the issue, he would welcome a comprehensive study on the validity of the distinction between internal and external candidates.

47. He welcomed the Secretary-General's report on the employment of retirees (A/53/526) and the useful guidelines it contained. However, he noted certain weaknesses with regard to the monitoring of the use of retirees, and hoped that those shortcomings could be addressed with the full implementation of the Integrated Management Information System at Headquarters and other duty stations. He also welcomed the Secretary-General's policy guidelines for the use of consultants (A/53/385), and endorsed the new definitions for consultants and individual contractors.

48. **Mr. Atiyanto** (Indonesia), speaking on behalf of the Group of 77 and China, said that the Group had taken note of the Advisory Committee's comments on human resources management, and supported the views expressed by the representative of China.

49. **Mr. Jaremczuk** (Poland) said that his delegation wished to align itself with the statement made by the representative of Austria on behalf of the European Union.

50. **Ms. Silot Bravo** (Cuba) said that she regretted the lack of substantive advice in the Advisory Committee's report on human resources management as to how the General Assembly should approach what was a very complex issue. She also regretted the absence of specific proposals from the Secretary-General on how to implement the strategy for decentralization and delegation of authority and functions. There was an imbalance between the proposed delegation of authority and the system of accountability of programme managers, who constituted an essential element in the strategy. There was also no system for evaluating the quality of decisions taken to guard against poor or improperly motivated decision-making. In that regard it would be important to strengthen the internal system of justice to guard against discriminatory decisions.

51. The Administration seemed to be attempting to give a new dimension to the human resources strategy approved by the General Assembly in 1994; specific measures should be approved before they were implemented. In view of the uncertainties that had been expressed, she asked for clarification as to how far implementation had progressed. Her delegation would prefer to see the matter deferred until the following session to allow time for information to be provided on specific implementation measures.

52. *Mr. Abelian (Armenia) resumed the Chair.*

53. **Ms. Salim** (Assistant Secretary-General for Human Resources Management) noted the almost universal acknowledgment of the importance of learning and skills development as a key to the success of human resources management reform. In order to empower staff and managers — the central element in the reform agenda — there must be a framework for continuous learning to allow staff and managers the opportunity to learn new skills. Managers must be true managers in every sense, able to make informed decisions. Such skills must also be offered to mid-level and junior Professionals, who would assume managerial responsibilities as they moved forward in their careers.

54. As the Secretary-General had stated, the Organization had not invested enough in staff development in the past. The Administration would be looking to the Fifth Committee for support to ensure that appropriate resources were made available in the future.

55. Delegation of authority and accountability of managers had been a concern of all delegations addressing the Committee. There were specific concerns that managers did not comply with mandates, that recruitment, if delegated, would not be carried out in a fair and transparent manner, that the number of unrepresented and under-represented countries would not be reduced, that staff would not be managed well or have the means to redress decisions, and that there would not be a consistent application of entitlements to benefits and allowances if the processing of those entitlements was delegated to departments.

56. She agreed that delegation of authority for human resources management would be doomed to failure if the Secretary-General were to decide on such a course without addressing the issue of accountability, without training managers and their staff to carry out the new functions, without providing comprehensive guidelines on human resources management and administration, without the establishment of appropriate monitoring mechanisms, and without a central authority to monitor and provide guidance and support.

57. It was not, however, the Administration's intention to fail, and the delegation of human resources authority would be carried out in a comprehensive and strategic manner; lessons would be learned from earlier mistakes. The Office of Human Resources Management was identifying those functions which were currently administered centrally and was examining the ability of departments and offices to undertake them. Staff training needs would be assessed, functions would be streamlined, and easy-to-apply guidelines would be established. Before delegation, monitoring systems would be in place to ensure the consistent application of the rules and regulations across departments and offices and between duty stations. Substantive human resources authority would not be delegated until the prerequisites were in place.

58. Responding to issues which had been raised in connection with staff development and training, she said that, in the biennium 1996–1997, training funds had been targeted towards the key areas of management development, information technology, increasing the Organization's capacity to manage human and financial resources, the upgrading of substantive and technical skills and career support, and language and communication skills development.

59. Particular priority had been given to management development. A wide range of programmes had been made available to staff throughout the Secretariat. In 1998 emphasis had been placed on follow-up at the departmental level, increased opportunities for upgrading skills, the introduction of new information technology standards, and the management of human and financial resources in an increasingly decentralized environment.

60. She agreed that there was a need for careful evaluation of the effectiveness of training programmes; evaluation was integrated into all staff development activities to assess their effectiveness. With regard to the scepticism expressed about the need to invest in ongoing training and staff development, she said that the Secretary-General had made clear his position that building and maintaining the professional competence of staff was a critical investment in the Organization's future.

61. The current global environment was characterized by continuing expansion of knowledge and information, rapidly changing technologies and increasingly complex problems. In such an environment, static organizations based on narrow sets of skills would become obsolete; the future of any organization would depend on the ability of its staff to learn and grow as the world changed. If the United Nations wished to attract the best and brightest young people, staff development was not a luxury but a necessity.

62. As for staff who were not considered sufficiently productive, it was intended, in the new culture, that seniority-based advancement would give way to career progression based on merit, productivity, achievement and continuous professional growth. Under-performance would be addressed first through remedial action, and thereafter through appropriate sanctions.

63. She welcomed the support expressed for the Performance Appraisal System; the revised system would serve as an important accountability mechanism and as a managerial and staff development tool. It would be kept under review to ensure that it was applied consistently and improved when necessary.

64. She shared the concern expressed regarding the length of time taken to complete the national competitive examination process and the length of time some candidates remained on the roster. Those issues would be addressed as a matter of priority in the design of a more effective recruitment system to ensure that mandates were met and needed skills brought into the Organization in a timely manner. The marking process for examination was currently very lengthy, as it had to be done largely outside working hours; the marking of the written portion of all 1998 examinations would, however, be completed in December, and oral examinations were being scheduled for December 1998 and early 1999.

65. The national competitive examinations were managed by the Examinations and Tests Section, which had seven Professional and eight General Service staff members. The Section also administered the G-to-P examinations, the language examinations and the tests for General Service staff. Approximately half of its time was spent on national competitive examinations. Staff from all parts of the Secretariat served on the Board of Examiners.

66. The Office of Human Resources Management shared the concern regarding career development for staff at the P-2/P-3 level, in particular the number of resignations among that group. Over the past 10 years, of 399 candidates recruited, 56 had resigned, while 143 were currently at the P-3 level, 21 at the P-4 level, and 1 at the P-5 level.

67. Staff interviews suggested that P-2 staff members left the Organization for many reasons, including employment of spouses; dissatisfaction with compensation and greater attractiveness of outside opportunities; inability to adjust to a multicultural environment; and dissatisfaction with career development prospects.

68. Her Office was very conscious of the importance of addressing career development needs. Since 1997, all new entry-level Professional staff had participated in a week-long development programme, with scheduled follow-up six months after the end of the programme, as well as ongoing career counselling. The Secretary-General was proposing to introduce a programme of managed reassignment, initially for entry-level Professionals, to broaden their experience: all staff entering the Organization through the competitive examination process would have two assignments in the course of the first five years. Programme managers would be required to view entry level staff as an organizational resource and to provide them with the necessary training and mentoring.

69. In response to a question put by the representative of Japan regarding measures to streamline the recruitment and placement system, she said that a draft administrative instruction was being prepared whereby the classified level of a post need not be reconfirmed if no change in functions had occurred; the collateral review of candidates who had not applied for the vacancy and pre-review letters would be eliminated; and programme managers could select from alternative candidates should the selected candidate decline the post or leave within six months. Together, those changes could save up to five weeks.

70. In 1997 and 1998, the time needed for recruitment had been reduced to 260 days, although in two cases the process had taken 509 and 532 days, respectively, while the two shortest processes had lasted 88 and 135 days, respectively. On average, the programme managers' part in the process took 179 days: efforts were being made to reduce that time. Among other changes proposed by her Office was the delegation of authority for the recruitment of short-term staff for the General Assembly to the Department of General Assembly Affairs and Conference Services and the Department of Public Information. Such action would be taken once guidelines, monitoring mechanisms and appropriate training had been established.

71. With regard to the composition of the Secretariat, she drew attention to the issue of regional groupings, as presented in paragraphs 19 and 20 of the report of the Secretary-General (A/53/375). The Committee's advice would be needed as to whether changes should be made. Data errors noted by the representative of the Libyan Arab Jamahiriya had been corrected.

72. In response to the concern that a geographical balance should be maintained in the recruitment of consultants and that costs should not necessarily be a prime consideration, she pointed out that over 160 countries provided consultants. The necessary balance had to take account not only of geography and the availability of funds but also of the quality of expertise that was available. It was hoped to improve data monitoring in that regard.

73. On the question of the level of 70 per cent of permanent appointments, the Secretary-General had reported on the implementation of General Assembly resolutions and decisions in his report (A/53/342), but, given the variety of views expressed on such matters as the number of fixed-term appointments, she intended to return to the issue in the examination of career/non-career service and related issues over the following year.

74. With regard to the question of the wider definition of retirees, raised by the representative of Japan in connection with the report of the Secretary-General (A/53/526), she pointed out that the Secretary-General accepted the recommendations of the Office of Internal Oversight Services, although that Office's definition of a retiree went beyond that defined by General Assembly decision 51/408. The use of a small number of retirees, particularly in the language services, was efficient — especially at peak-load work periods — and had no adverse impact on the career development of serving staff.

75. With regard to the request by the representative of Costa Rica for an assessment of the real impact of Administrative Tribunal Judgement No. 852 on geographical distribution, she believed that the judgement blurred the distinction between internal and external candidates. The Secretariat had previously maintained a distinction between

the two: staff members who had not been recruited under the system of desirable ranges were considered to be external candidates. The judgement might mean that the way in which the system was applied would be changed in directions that the General Assembly had not anticipated. As of 30 June 1998, there were 104 experts serving under the 200 series and 68 staff members serving in missions, who were nationals of over-represented countries.

76. With regard to the question of whether women candidates were recruited at levels lower than P-5, she pointed out that, as part of the special measures to achieve gender equality, women candidates had been allowed to apply for internal vacancies after one year's service in the Secretariat, even if they had not been recruited under the system of desirable ranges. Opening all internal vacancies to external candidates, male and female, would negate that measure. The suggestion that vacancies should be open to as many candidates as possible, including external candidates, would run counter to the concept of a career civil service. Giving internal candidates priority was one means by which the Organization ensured reasonable promotion prospects for its junior staff. She noted that all vacancies at the P-5 level and above were circulated both internally and externally.

77. With regard to the G-to-P examination, she said that, of the 136 candidates from 41 countries who had passed the examination between 1990 and 1997, the five most successful nationalities had been those of the Philippines, the United States of America, India, Chile and the United Kingdom.

78. With regard to the question about vacant posts, she said that of the 8,792 posts in the regular budget, 7,803 were occupied by staff in the Secretariat and 338 by staff from other entities. The total number of 8,141 had contracts of one year or more. Detailed statistics on that and other matters were available on request.

79. With regard to the report of the Secretary-General on amendments to the Staff Rules (A/53/502 and Add.1), she reminded the Committee that under staff regulation 12.3, the full text of provisional staff rules and amendments had to be reported annually to the General Assembly and, under staff regulation 12.4, they would enter into force on 1 January following the year in which the report was made to the Assembly. If, therefore, the Committee had any questions regarding the amendments, it should review the matter before the end of December, otherwise they would automatically enter into force.

80. A joint staff/management committee had been formed earlier in the year to look into the issue of possible discrimination in recruitment and promotion within the Secretariat. The Committee's terms of reference were to look not at individual claims of discrimination but at trends in recruitment and the promotion of all races, regional groups and nationalities. It would report back to the Joint Advisory Committee and the Secretary-General.

81. **Mr. Zacklin** (Assistant Secretary-General for Legal Affairs), responding to issues raised by the representative of Ethiopia at the 26th meeting of the Committee in connection with the Secretary-General's report on privileges and immunities (A/53/501), said that the Secretary-General had expressed particular concern regarding the actions taken by the Government of Ethiopia to declare *personae non gratae* locally recruited Ethiopian staff members of the United Nations and agencies of the United Nations system who were of Eritrean origin. There were some 90 such staff in Ethiopia. On 12 June 1998 the Economic Commission for Africa (ECA) had been informed by the Ministry of Foreign Affairs that two staff members of ECA and one from the International Labour Organization were being declared *personae non gratae* and given 24 hours to leave the country, a deadline which had subsequently been extended to 48 hours. One staff member and his adult son had later been arrested but, following intervention by ECA, they had eventually been released and a decision had been taken to relocate them outside Ethiopia. On 11 and 14 July 1998, ECA had informed United Nations Headquarters that four staff members from various agencies had been deported by the Government to Eritrea and their families had been requested to sell their belongings and leave the country within a month. On 7 August 1998, the Ministry of Foreign Affairs had announced that 20 locally recruited staff members of ECA and 9 locally recruited staff members of the Office of the United Nations High Commissioner for Refugees (UNHCR) would be expelled from Ethiopia because their presence was deemed incompatible with the country's national security interests, but that the individuals concerned could appeal against that decision. Staff of the Organization of African Unity and of certain embassies located in Addis Ababa had been affected by similar measures.

82. Such actions by the Ethiopian Government raised the most serious concerns for the United Nations and other organizations. The Executive Secretary of ECA had therefore discussed the situation with the Minister for Foreign Affairs in August 1998, while at the same time the Legal Counsel, at a meeting with the Permanent Representative of Ethiopia, had underscored the importance of compliance with the relevant international legal instruments. He had pointed out that Ethiopia was not

entitled to take such action unilaterally, without giving the Secretary-General an opportunity to look into any allegations and determine whether any wrongful acts had been committed by the staff members concerned. Indeed, the Organization had received no detailed information with regard to the charges against individual staff members. Its position of principle and clarification of the applicable legal instruments had been set out in the Legal Counsel's note verbale of 14 August 1998, which explained that the doctrine of *persona non grata* had no application to United Nations staff, who were international civil servants responsible to the Secretary-General alone. In accordance with Article 105, paragraph 2, of the Charter of the United Nations, officials of the Organization, including locally recruited staff members, enjoyed such privileges and immunities as were necessary for the independent exercise of their functions. Ethiopia had acceded without any reservation to the 1946 Convention on the Privileges and Immunities of the United Nations. Under that Convention and other agreements, officials had the right to remain in Ethiopia unless they were engaged in activities incompatible with their position as international civil servants. The Legal Counsel had strongly requested the Government to reconsider its decision and had offered to consider specific complaints against individual staff members. No specific evidence of wrongdoing had been offered with regard to any of the staff members concerned, yet on 19 August 1998 the Government had declared yet another locally recruited staff member of the United Nations Development Programme *persona non grata*, and had later confirmed that all the staff members concerned had been found to be involved in activities incompatible with their official duties: acts of sabotage, espionage and conspiracy against the national interests of Ethiopia, and soliciting, organizing and raising funds in support of war efforts by Eritrea against Ethiopia. Even after a further note verbale, the Government had not provided any information to substantiate the accusations, which the United Nations therefore rejected. When interviewed by ECA in August and September 1998, most of the staff members concerned had denied the allegations, but some had indicated that they had contributed funds, with the Government's full knowledge, to charitable organizations supporting development efforts in Eritrea.

83. In his statement at the Committee's 26th meeting, the representative of Ethiopia had maintained that the measures taken by his Government had been taken after due consultation with officials of the United Nations in Addis Ababa over a period of three months. The Government had indeed, in most instances, informed the relevant agencies in Addis Ababa of its actions, but at no time had it engaged in consultation. From the beginning, the Government's actions had been the subject of explicit and vigorous protests on the part of the United Nations.

84. The total number of staff members affected by the actions of the Government of Ethiopia was 38. Of those, 25 — not 17 as indicated in the statement by the Ethiopian delegation — had been expelled. Only 12 had been reprieved after a review of their cases by the Government and, of those, two had been conditionally allowed to remain in Ethiopia.

85. On 22 October 1998, the Legal Counsel had forwarded yet another note verbale to the Permanent Mission of Ethiopia, reminding the Government that the measures it had taken were in express violation of its obligations under the Charter and other agreements and in clear contravention of the most fundamental human rights. In the latest note verbale, dated 28 October 1998, the Government of Ethiopia had, regrettably, repeated, again in general terms, its allegations against United Nations staff members and had indicated that it was not prepared, for security reasons, to provide any more specific information.

86. He hoped that the Government of Ethiopia would find the appropriate means to cooperate with the United Nations in a matter that had created both a substantial administrative and financial burden for the Organization and a personal tragedy for the staff members involved, who had been uprooted from their homes and their occupations.

87. **Mr. Taye** (Ethiopia) requested that discussions on agenda item 119 should not be concluded until his delegation had had an opportunity to consider and respond to the Assistant Secretary-General's statement.

88. **The Chairman** took note of that request.

Organization of work

89. After a procedural discussion in which **Ms. Achouri** (Tunisia), **Ms. Buergo Rodríguez** (Cuba), **Ms. Incera** (Costa Rica), **Mr. Schlesinger** (Austria) and **Mr. Atiyanto** (Indonesia) took part, **the Chairman** said that, in order to expedite work on the draft resolution on the pattern of conferences, it might well be possible to defer discussions on the question of publications until the resumed session.

The meeting rose at 1.15 p.m.